JOINT
PUBLIC NOTICE

CHARLESTON DISTRICT, CORPS OF ENGINEERS
69A Hagood Avenue
Charleston, South Carolina 29403-5107
and
THE S.C. DEPARTMENT OF HEALTH AND ENVIRONMENTAL CONTROL
Office of Environmental Quality Control
Water Quality Certification and Wetlands Programs Section
2600 Bull Street
Columbia, South Carolina 29201

REGULATORY DIVISION
Refer to: P/N #2004-1G-157-W

2 JULY 2004

Pursuant to Sections 401 and 404 of the Clean Water Act (33 U.S.C. 1341), an application has been submitted to the Department of the Army and the South Carolina Department of Health and Environmental Control by

HAILE MINING COMPANY, INC.
C/O MR. TERRY TURNER
7283 HAILE GOLD MINE ROAD
POST OFFICE BOX 127
KERSHAW, SOUTH CAROLINA 29067

for a permit to place fill material in and relocate a portion of

NORTH FORK CREEK

at a location, 7283 Haile Gold Mine Road, approximately 2.4 miles outside the Town of Kershaw off of Highway 601 north, in Lancaster County, South Carolina.
(Latitude 34.57938°– Longitude 80.54293°)

In order to give all interested parties an opportunity to express their views

N O T I C E

is hereby given that written statements regarding the proposed work will be received by both of the above mentioned offices until

12 O'CLOCK NOON, MONDAY, AUGUST 2, 2004

from those interested in the activity and whose interests may be affected by the proposed work.

The proposed work consists of realignment of approximately 500 feet of the North Fork of the Haile Gold Mine Creek around the eastern boundary of the old mining area into clean clay for voluntary rehabilitation and closure of the old mining area. The North Fork Creek runs through an early 1900's (pre-south Carolina Mining law) mining area referred to as the Blauvelt area. The area includes three pits, (the Blauvelt, Bequelin, and new Bequelin Pits) that were excavated prior to 1935 and partially backfilled sometime between 1935 and 1942. Rehabilitation and closure of these pre-South Carolina Mining law facilities and disturbances is voluntary and is being proposed in conjunction with the overall Haile mine closure and site management. The Blauvelt Area Restoration Plans are being reviewed, permitted and overseen by the South Carolina Department of Health and

Environmental Control, Division of Mining and Reclamation. The applicant proposes to relocate the existing stream into a new channel and then backfill the old channel as specified in the attached plan and drawings. The purpose of the proposed work is for rehabilitation of the Blauvelt area of the old mine site.

NOTE: Plans depicting the work described in this notice are available and will be provided, upon receipt of a written request, to anyone that is interested in obtaining a copy of the plans for the specific project. The request must identify the project of interest by public notice number and a self-addressed stamped envelope must also be provided for mailing the drawings to you. Your request for drawings should be addressed to the

U.S. Army Corps of Engineers
ATTN: REGULATORY DIVISION
69A Hagood Avenue
Charleston, South Carolina 29403-5107

The District Engineer has concluded that the discharges associated with this project, both direct and indirect, should be reviewed by the South Carolina Department of Health and Environmental Control in accordance with provisions of Section 401 of the Clean Water Act. As such, this notice constitutes a request, on behalf of the applicant, for certification that this project will comply with applicable effluent limitations and water quality standards. The District Engineer will not process this application to a conclusion until such certification is received. The applicant is hereby advised that supplemental information may be required by the State to facilitate the review. Persons wishing to comment or object to Water Quality Certification must submit all comments in writing to the S.C. Department of Health and Environmental Control at the above address within thirty (30) days of the date of this notice.

This notice initiates the Essential Fish Habitat (EFH) consultation requirements of the Magnuson-Stevens Fishery Conservation and Management Act. Implementation of the proposed project would impact 500 linear feet of freshwater substrates well inland of estuarine substrates and emergent wetlands utilized by various life stages of species comprising the red drum, shrimp, and snapper-grouper management complexes. Our initial determination is that the proposed action would not have a substantial individual or cumulative adverse impact on EFH or fisheries managed by the South Atlantic Fishery Management Council and the National Marine Fisheries Service (NMFS). Our final determination relative to project impacts and the need for mitigation measures is subject to review by and coordination with the NMFS.

The District Engineer has consulted the most recently available information and has determined that the project will have no effect on any Federally endangered, threatened, or proposed species and will not result in the destruction or adverse modification of designated or proposed critical habitat. This public notice serves as a request to the U.S. Fish and Wildlife Service and the National Marine Fisheries Service for any additional information they may have on whether any listed or proposed endangered or threatened species or designated or proposed critical habitat may be present in the area which would be affected by the activity, pursuant to Section 7(c) of the Endangered Species Act of 1973 (as amended).

The District Engineer has consulted the latest published version of the National Register of Historic Places for the presence or absence of registered properties, or properties listed as being eligible for inclusion therein, and this worksite is not included as a registered property or property listed as being eligible for inclusion in the Register. Consultation of the National Register constitutes the extent of cultural resource investigations by the District Engineer, and he is otherwise unaware of the presence of such resources. Presently unknown archaeological, scientific, prehistorical, or historical data may be lost or destroyed by the work to be accomplished under the requested permit.

REGULATORY DIVISION 2 JULY 2004
Refer to: P/N #2004-1G-157-W

Any person may request, in writing, within the comment period specified in this notice, that a public hearing be held to consider this application. Requests for a public hearing shall state, with particularity, the reasons for holding a public hearing.

The decision whether to issue a permit will be based on an evaluation of the probable impact including cumulative impacts of the activity on the public interest and will include application of the guidelines promulgated by the Administrator, Environmental Protection Agency (EPA), under authority of Section 404(b) of the Clean Water Act and, as appropriate, the criteria established under authority of Section 102 of the Marine Protection, Research and Sanctuaries Act of 1972, as amended. That decision will reflect the national concern for both protection and utilization of important resources. The benefit which reasonably may be expected to accrue from the project must be balanced against its reasonably foreseeable detriments. All factors which may be relevant to the project will be considered including the cumulative effects thereof; among those are conservation, economics, aesthetics, general environmental concerns, wetlands, historic properties, fish and wildlife values, flood hazards, flood plain values, land use, navigation, shoreline erosion and accretion, recreation, water supply and conservation, water quality, energy needs, safety, food and fiber production and, in general, the needs and welfare of the people. A permit will be granted unless the District Engineer determines that it would be contrary to the public interest. In cases of conflicting property rights, the Corps of Engineers cannot undertake to adjudicate rival claims.

The Corps of Engineers is soliciting comments from the public; Federal, state, and local agencies and officials; Indian Tribes; and other interested parties in order to consider and evaluate the impacts of this activity. Any comments received will be considered by the Corps of Engineers to determine whether to issue, modify, condition or deny a permit for this project. To make this decision, comments are used to assess impacts on endangered species, historic properties, water quality, general environmental effects, and the other public interest factors listed above. Comments are used in the preparation of an Environmental Assessment and/or an Environmental Impact Statement pursuant to the National Environmental Policy Act. Comments are also used to determine the need for a public hearing and to determine the overall public interest of the activity.

If there are any questions concerning this public notice, please contact me at 843-329-8044 or toll free at 1-866-329-8187.

Mary Hope Glenn
Project Manager
Regulatory Division
U.S. Army Corps of Engineers

Haile Mining Company, Inc.
A SUBSIDIARY OF
KINROSS GOLD USA, INC.

APR 27 2004

April 20, 2004

U.S. Army Corps of Engineers
Charleston District, Regulatory Division
69A Hagwood Avenue
Charleston, SC 29403-5107

RE: North Fork Creek Component of
an Early 1900's Mining Area Rehabilitation
Haile Gold Mine - Kershaw, SC
Latitude: 34° 34' 41" N
Longitude: 80° 32' 31" E

Dear Project Manager:

This letter is a supplement to the enclosed Joint Federal and State Application for Activities Affecting Waters of the United States and describes a voluntary rehabilitation project at the Haile Site. The above referenced application is being submitted to determine what approval and/or permits are required to perform the proposed stream area rehabilitation.

The Haile Gold Mine is located in Lancaster County approximately 2.4 miles north of the town of Kershaw (see attached quadrangle map). Placer gold was first discovered on this site in 1828 and small-scale mining was conducted intermittently through 1942 when the mine was closed by wartime executive order. During this time, open pits and rock piles were created. Modern mining activities were conducted between 1985 and 1992 at which time additional gold was produced. Currently, Haile Mining Company, Inc. is actively performing final site closure and reclamation activities. Rehabilitation and closure of pre-South Carolina Mining law facilities is a voluntary action performed as part of the overall final site closure management. Detailed plans and specifications for this work and other reclamation activities are being reviewed and permitted through South Carolina Department of Health and Environmental Control's (DHEC) Division of Mining and Reclamation.

Project Scope

The Blauvelt area is comprised of three pre-South Carolina Mining Law pits: The Blauvelt, Bequelin, and New Bequelin. These pits are features as shown in Project Drawing 1. A geologic map from 1935 (Boss and Holland, 1935) indicates that the three pits had been excavated and remained open as of 1935. They were subsequently filled with tailing material from a mill formerly located nearby. The Blauvelt/Bequelin area has not been mined or expanded in recent time.

Haile Gold Mine Road, P.O. Box 127, Kershaw, South Carolina 29067 USA
Telephone (803) 475-1220, Facsimile (803) 475-2317

Saved as: COE North Fork 04 15 04 Final.doc

PN#2004-1G-157

The rehabilitation and closure project will include stabilizing the old mining area and includes re-establishing approximately 500 linear feet of the North Fork (NF) of the Haile Gold Mine Creek (HGMC) slightly to the east to flow around the Blauvelt area. The NF is a small tributary (averaging less than one cubic feet per second) and is above any headwaters. The rehabilitated channel section will be constructed in adjacent natural soils and is designed with a capacity to handle the peak-flow estimate of 836 cfs for the 500-yr, 24-hr storm event. The channel design sections are shown in Project Drawing 2 and detailed in Project Drawing 3 (see attached). A small plug (approximately 25 cubic yards) will be placed in the existing creek to divert flow to the newly established creek channel. Downstream, a small opening (less than 45 linear feet) will be made in the existing North Fork creek to allow this flow to re-enter the creek channel. Riprap stone will be used to stabilize portions of the channel banks where change in flow direction occur as shown in the attached drawings. Native vegetation, including grasses, willows and other favorable vegetation will be encouraged to provide additional stabilization and a natural look. Overall, there will be no net loss of riparian environment. This activity is being permitted through DHEC's Division of Mining and Reclamation.

Site studies performed in the early 1990's indicated no archeological significance and no presence of any threatened and/or endangered species in or adjacent to the NF.

Currently, no wetlands exist in the area of the proposed new channel. Any disturbed areas will be mulched and seeded according to DHEC Division of Mining and Reclamation requirements.

This activity is expected to take less than one month to complete. The new creek channel will be excavated, the riprap placed, and exposed soil stabilized and seeded prior to introducing creek flow. During construction and until vegetation is established, silt fencing and sediment control practices will be used as good stormwater pollution prevention practices. In addition, granite riprap will be placed along the creek bank for soil stabilization and to provide enhanced wildlife habitat.

Please review this application and let me know if additional information is required. My telephone number is 803-475-1220 and e-mail address is hailemine@comporium.net. I look forward to your response.

Sincerely,

Terry Turner
Site Manager

cc. Craig Kennedy (SCDHEC, Division of Mining and Reclamation)
Bill Goodhard (Kinross Gold USA)
Mark Ioli (Kinross Gold USA)
file

Saved as: COE North Fork 04 15 04 Final.doc

#2004-IG-157

Haile Mining Company, Inc.
A SUBSIDIARY OF
KINROSS GOLD USA, INC.

JUN 17

June 10, 2004

U.S. Army Corps of Engineers
Charleston District, Regulatory District
69A Hagwood Avenue
Charleston, SC 29402-5107

Attention: Ms. Mary Hope Glenn

RE: Permit Application No. 20041G157
North Fork Creek
Component of Rehabilitating an Early 1900's Mining Area
Haile Gold Mine – Kershaw, SC

Dear Ms. Glenn,

This letter is in response to our telephone conversation and your initial comments regarding Permit Application No. 20041G157 for realignment and rehabilitation of a section of the North Fork Creek. Realignment of about 500 ft of the North Fork Creek eastward is an integral part of the overall rehabilitation plan for an old mining area. This letter presents more detailed explanations of the planned realignment and restoration of the creek and incorporates your comments and concerns.

Blauvelt Area

As described in the initial application submittal dated April 20, 2004, the North Fork Creek runs through an early 1900's (pre- South Carolina Mining law) mining area referred to as the Blauvelt area. The area includes three pits (the Blauvelt, Bequelin and New Bequelin Pits shown in Project Drawing 1) that were excavated prior to 1935 and partially backfilled sometime between 1935 and 1942. Rehabilitation and closure of these pre-South Carolina Mining law facilities and disturbances is voluntary and is being proposed in conjunction with the overall Haile Mine closure and site management. The Blauvelt Area Restoration Plans are being reviewed, permitted and overseen by the South Carolina Department of Health and Environmental Control (DHEC), Division of Mining and Reclamation.

Stream Alignment And Restoration Description

In response to your initial comments regarding the April 2004 application, some revisions have been made to the alignment and additional information regarding the proposed work have been included in this supplemental letter.

The overall goal is the rehabilitation of the Blauvelt area. Improving the drainage within and around the Blauvelt area is a major component of this project. In turn, realigning approximately 500 linear feet of the North Fork (NF) of the Haile Gold Mine Creek

2004-1G-157

(HGMC) around the eastern boundary of the old mining area as shown in the modified Project Drawing 1(see attached) is a vital component of the project. The new channel section will be excavated into clean native soils east of the historic area. The stream alignment is limited to a diversion of approximately 500 feet around the project area and back into the existing creek channel.

The design for the NF rehabilitation incorporates components of the current guidelines for stream rehabilitation and realignment. Factors used in the NF channel design are described below and include the existing channel and bank conditions, the existing natural channels of NF above and below the rehabilitation area and the requirement to maintain the channel flows outside the boundary the Blauvelt area.

Typical area stream channels exhibit a slight to modest sinusoidal shape over the length of the drainage basin (particularly in tributary basins such as NF). The actual width of the meander is generally less than 50 feet and often only 20 to 30 feet in the NF upstream and downstream of the area of concern. The current channel alignment appears to have been established as a result of the past historic activity in the area and is not likely the natural channel. The 'natural' channel appearance is the result of vegetative growth over the years. Based on field observations, the current typical channel section is about three to four feet wide as it can easily be stepped across. The mean high water level is estimated to be about one foot deep and spreads the water surface width to about 8 feet in some places along the channel. 'J-hook' or hairpin reverses in flow direction in area streams are limited and are not considered typical in natural channels in the project area. The modified channel design is shown in the modified Project Drawing 2 (see attached) and illustrates similar sinuosity of area streams.

The channel design for NF is based on three engineered parameters. First, maintain gradients in the new channel similar to the current channel. Second, prevent flooding of the rehabilitated Blauvelt area in the event of the 500-yr, 24-hr. storm event. Lastly, provide a mean daily flow channel and riparian areas similar to natural channels in the area. The second and third parameters are met by constructing a channel section of sufficient capacity to safely pass and contain the peak flow of about 836 cubic feet per second (referred to as the 'total channel') yet provide a meandering pattern for mean daily flows ("mean daily flow channel") of less than one cubic feet per second.

The total channel section will be constructed in native clay soils and shallow bedrock just to the east of the current channel and outside the historic Blauvelt area. The total channel section will have a minimum bottom width of 20 feet and a depth of about 6 feet. Existing ground will form the east bank with only minimal fill placed along the crest area as needed to create the upper bank and freeboard for the peak flood flow. This bank will be stabilized with riprap or local inert rock and vegetation to prevent erosion and obtain a natural look after establishment of the vegetation. The western bank will be a compacted fill berm to achieve the required flood flow capacity without overtopping into the historic area. Stabilization of the bank will primarily be provided by native vegetation with riprap or local inert rock placed in select locations, but not completely over the entire bank. The channel invert will be achieved by placing riprap across the invert area in

select locations and vegetating with species native to the area. The strips of riprap will also enhance the natural appearance of the stream channel and will be placed so not to impede the mean daily flow channel.

The mean daily flow channel will be constructed as a meandering stream from side to side in the total channel invert. Rocks, logs and small delta-like slopes will be placed to enhance the meandering and stabilization of the mean daily flow channel. The meandering alignment and placement of rocks are intended to provide the sinuosity of the channel common to creek channels in the area. It is expected that as the channel stabilizes, small pools will form in some areas while the rocks (J-hook type placement) will enhance aeration. Native vegetation including grasses, black willows and other native vegetation will be placed along the channel to enhance its natural look. Black willow trees will be sprigged along the length of the channel to expedite woody growth. Over time additional trees and other woody species are expected to voluntarily grow within the limits of the channel, further enhancing restoration of the stream channel to natural conditions.

Once the NF is relocated as described above, approximately 1,200 cubic yards of organic material (wood chips, gravel and agricultural limestone) will be placed in the former creek area (within the boundary of the historic area) as a component of the Blauvelt rehabilitation and stabilization.

Upon approval, the realignment and restoration of North Fork Creek is expected to be completed within a four-week period. The new total channel and mean daily flow channel will be excavated, stabilized (including rock and log diversions along the meander alignment), and reseed prior to diverting the creek flow into the new channel. During construction activities and until vegetation is established, best management practices (BMP), such as silt fences, straw bails etc. for sediment control will be employed. The mean daily flow channel will be maintained and erosion scarps repaired and stabilized to assure proper development of the meander pattern in the mean daily flow channel. All exposed soil surfaces in the realignment and areas disturbed by the associated construction activities will be mulched and reseeded according to DHEC Division of Mining and Reclamation requirements. All seed mixtures and plant species will be pre-approved by DHEC prior to re-vegetation activities.

Overall, there will be no net loss of riparian habitat, and a significant gain in the quality of the habit with the proposed area restoration project.

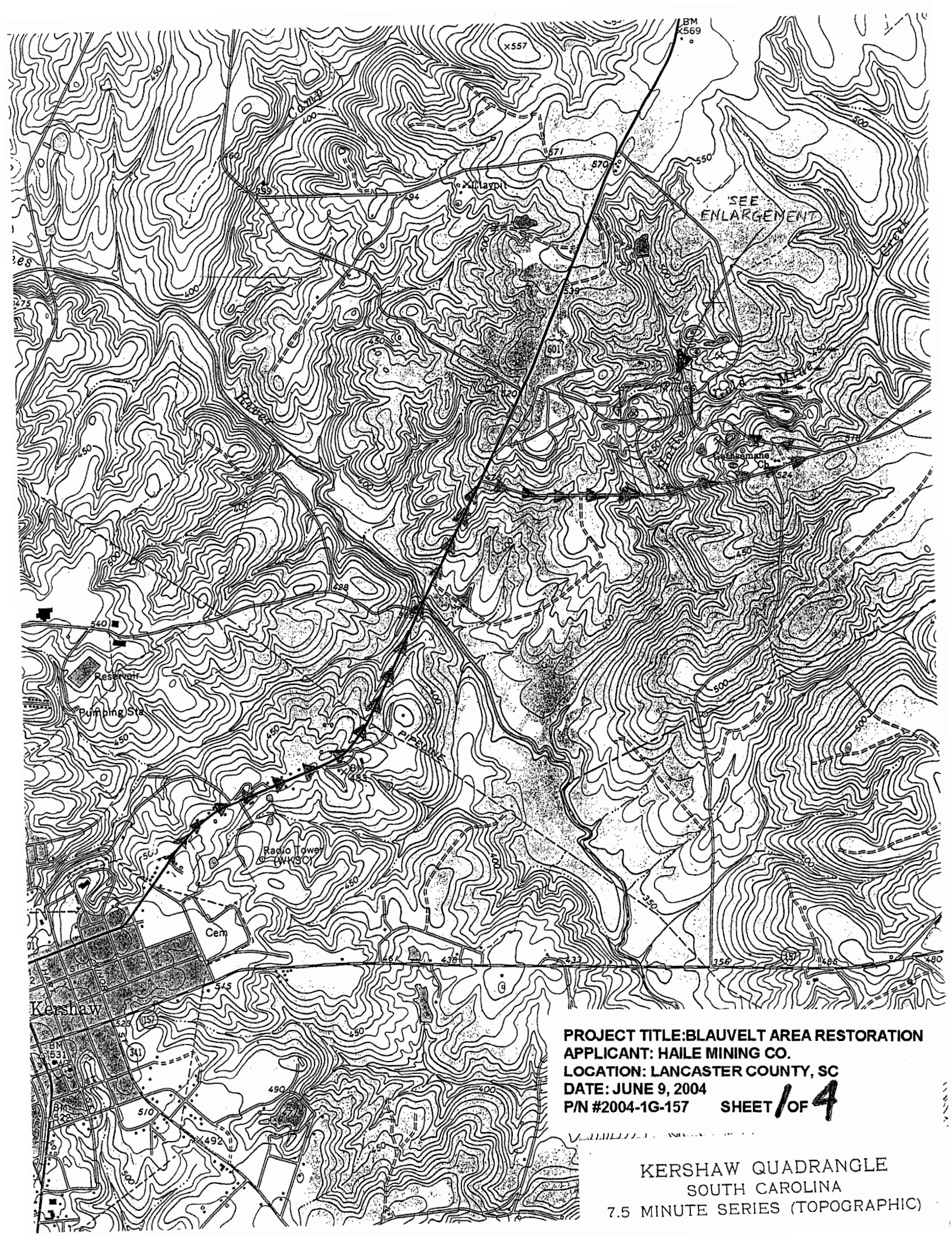
Please review this supplemental information for the Permit Application No. 20041G157 and let me know if additional information is need or if you have any further questions prior to placing on public notice. My telephone number is 803-475-1220 and e-mail address is hailemine@comporium.net. I look forward to the application review and approval.

Sincerely,

Terry Turner
Site Manager

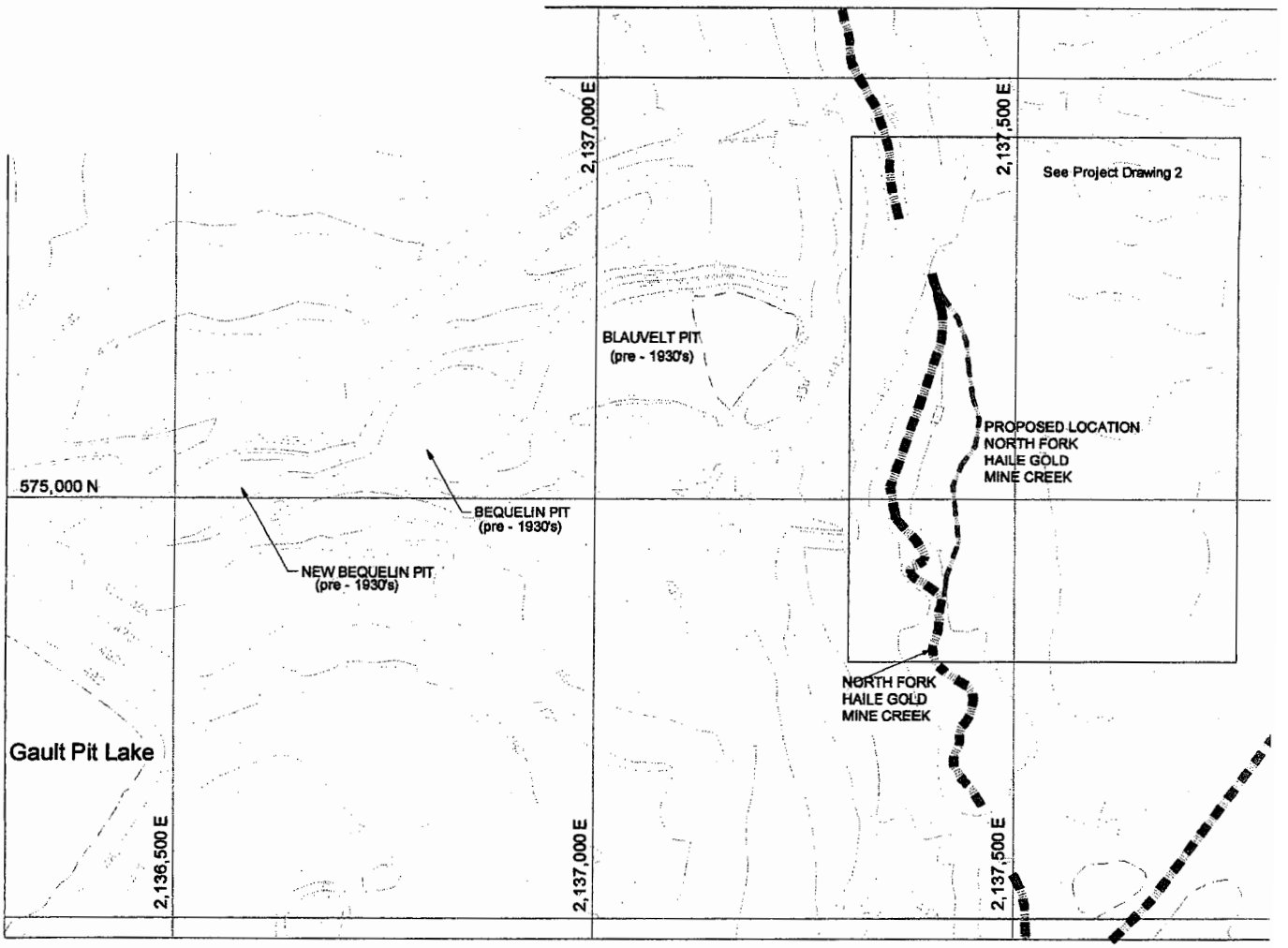
cc: Craig Kennedy (SCDHEC, Division of Mining and Reclamation)
Bill Goodhard (Kinross Gold USA)
Mark Ioli (Kinross Gold USA)
file

#2004-16-157

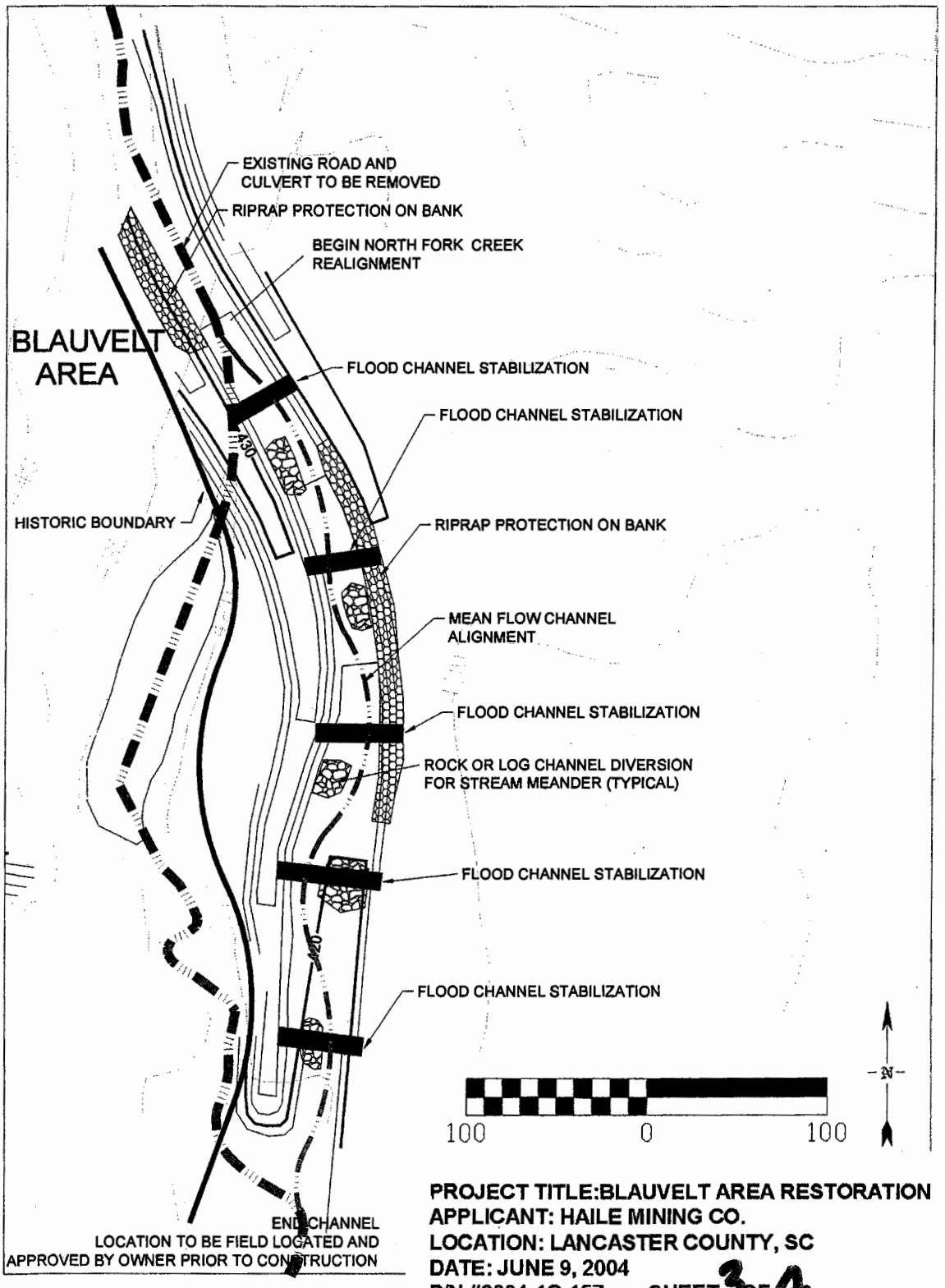


PROJECT TITLE:BLAUVELT AREA RESTORATION
APPLICANT: HAILE MINING CO.
LOCATION: LANCASTER COUNTY, SC
DATE: JUNE 9, 2004
P/N #2004-1G-157 **SHEET 1 OF 4**

KERSHAW QUADRANGLE
SOUTH CAROLINA
7.5 MINUTE SERIES (TOPOGRAPHIC)



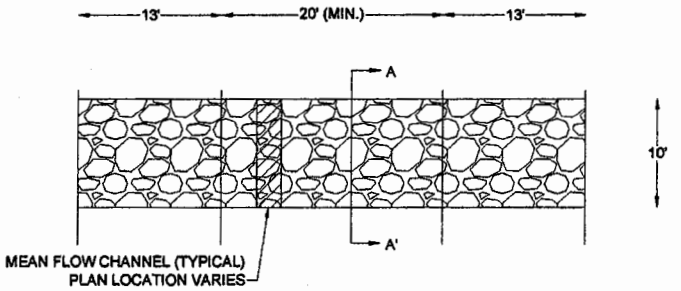
PROJECT TITLE:BLAUVELT AREA RESTORATION
APPLICANT: HAILE MINING CO.
LOCATION: LANCASTER COUNTY, SC
DATE: JUNE 9, 2004
P/N #2004-1G-157 **SHEET 2 OF 4**



PROJECT TITLE:BLAUVELT AREA RESTORATION
APPLICANT: HAILE MINING CO.
LOCATION: LANCASTER COUNTY, SC
DATE: JUNE 9, 2004
P/N #2004-1G-157 **SHEET 3 OF 4**

FLOOD CHANNEL STABILIZATION - PLAN VIEW

(NOT TO SCALE)



A-A' TYPICAL SECTION

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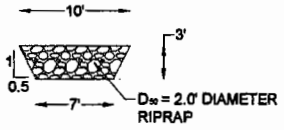

TYPICAL FLOOD CHANNEL SECTION

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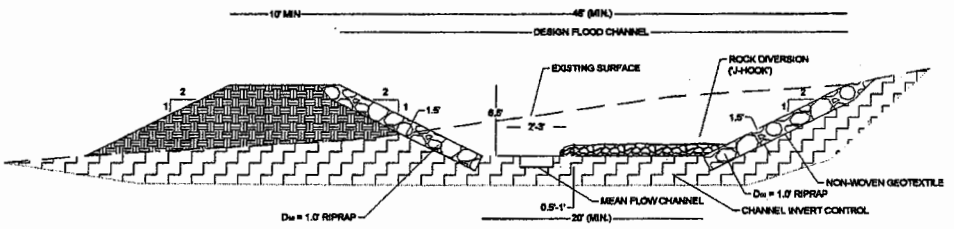

PROJECT TITLE:BLAUVELT AREA RESTORATION
APPLICANT: HAILE MINING CO.
LOCATION: LANCASTER COUNTY, SC
DATE: JUNE 9, 2004
P/N #2004-1G-157 **SHEET 4 OF 4**